

KIDSCARE ELIGIBILITY DETERMINATION

Request for Proposal (RFP) YH07-0044

QUESTIONS AND RESPONSES - Round 1

Question #	Section	Paragraph #	Page #	Question	Response
1	Special Instructions	2.0	42	Will the state please provide the value, by percentage or points, for each of the three evaluation criteria?	The points assigned to the criteria are not available prior to contract award.
2	Scope of Work	2.4.1	8	Is the contractor expected to provide their own contract management system or is the contractor expected to use CCTS for all applicant and recipient contracts?	All information regarding the eligibility determination should be documented in ACE. AHCCCS uses CCTS to document Call Center contacts. The contractor may use CCTS or may use their own contract management system if they wish. If the contractor uses their own system, AHCCCS must be able to access information regarding its customers.
3	Scope of Work	4 & 5.4.2	6 & 16	The RFP states that AHCCCS partners with approximately 35 community based organizations (CBOs) throughout the state to provide outreach. Does the State contract with the CBOs to perform this work? Is so, please provide information related to the arrangement under which they provide these services. Please also provide information related to any payment made to these organizations to perform the outreach services. Will the CBOs continue to provide these services in the future?	AHCCCS does not contract with the CBOs to provide outreach. This section of the RFP refers to the Health-e-Arizona project, a partnership between the Community Health Centers, AHCCCS and DES. Health-e-Arizona is currently licensed to El Rio Health Center, although a transfer to AHCCCS is pending. The Health-e-Arizona subscribers (the CBOs) pay to use Health-e-Arizona (HEA). HEA screens for Medicaid, KidsCare, Food Stamps, TANF and several community programs. AHCCCS, DES and El Rio are continuously expanding the network of HEA users which also includes hospitals, IHS, tribes and other community organizations.
4	Bidder's Library	KidsCare Activity Report	N/A	The activity report shows that in February and March of 2007 unusually high numbers of applications were received by the program 5509 and 5455 respectively. These numbers appear to be several thousand more than normal volume. What were the reasons for the spike in activity?	We do not know why applications would have increased at this point in time. There was no outreach activity associated with this that we were aware of.
5	Scope of Work	5.3, para. 2	15	Can AHCCCS provide statistics (average monthly volume) on the number of mailings that the Contractor will be responsible for printing and mailing for each type listed in the four bullets on page 15? Also please provide more information on the manually-generated notices called out on page 15.	Bullets 1 and 4 are essentially the same. Initial applications sent by our Call Center average 2,140/month. Bullet 2: Decision notices are only generated manually if a mistake is made and there is no notice to address the situation. While we do not keep count of the number of these notices, they are sent out infrequently. Requests for information are sent to applicants on a large percentage of initial applications. In order to minimize mailings, AHCCCSA encourages use of electronic contact with customers, and the use of documentation from other sources such as DES. Bullet 3: AHCCCSA plans to continue to send out renewal forms through ACE, unless the Contractor opts to handle renewals in a different manner. If the Contractor does not generate the renewal form through ACE to print at AHCCCS, the Contractor will then be responsible for printing and posting costs associated with sending out the renewals. (See the Bidder's Library for the number of renewals AHCCCSA processes each month.)
6	Bidder's Library & Scope of Work	N/A & 10.1.2	N/A & 23	We observe discrepancies in the RFP and Bidder's Library documents on the number of employees in the KidsCare program. To clarify, please specify how many total KidsCare staff members there are as of a specific recent date and how many are expected to be displaced by the privatization vendor and how many retained. Also please specify the number of employees by position, both displaced and retained. To give some background to this question, these are specific areas of confusion in the RFP-- Employee Data report shows 108 displaced employee positions (occupied and vacant) in KidsCare--are there positions in KidsCare other than these 108? Are only 79 of the 108 positions currently occupied as of the report date? How does this number of 79 related to the "92 KidsCare staff members that received a paycheck in January 2007" (quote from page 23)?	There are 100 funded positions expected to be displaced by privatization. The number of the 100 positions that were filled during different points in time over the past year is provided in the Bidder's Library (see Proposed Privatization Positions Tracking). The information in the Bidder's Library included both filled and vacant positions, but not necessarily funded positions. The 108 was the total positions both funded, and vacant, but not necessarily funded. The 79 was for eligibility specialists only and did not include customer service and support positions. The 92 referenced on page 23, represents a point in time (one payroll) from January 2007. The actual number of individuals in the positions varies as reflected in the Proposed Privatization Positions Tracking document in the Bidder's Library.
7	Scope of Work	5.1, para. 1	14	Does the Contractor need to supply an Automated Call Distributor (ACD) for the customer service line or is the Contractor expected to use an existing ACD?	The Contractor needs to provide their own ACD.

8	Scope of Work & Attachment B	2.1	5 & 84	The budget detail in Attachment B is for FY07. Since we are now in FY08 and privatization will not begin until 5/9/08, can the State please estimate the split of dollars expected in FY08 and then in FY09, which would be a full year of privatization?	Two additional sets of Attachment B have been provided in the Bidder's Library. The first provides the FY08 amounts as appropriated in Laws 2007, Chapter 255, Section 7. Since the passage of the appropriation, the Governor's Office, as agreed upon by the legislature has approved a one-time transfer of funding for outreach initiatives in FY08. This transfer increases the AHCCCS retained functions by \$480,000 and the Proposed Privatization by \$528,200. However, these are considered one-time increases and should not be used for planning future years. No estimate for FY09 can be provided at this time.
9	Attachment B	N/A	84-86	Are the budget categories and amounts in Attachment B limitations for a vendor for each of the line items? For example, the proposed budget for privatization shows zero dollars for any capital outlays. If the contractor needs to supply PCs and other equipment, may the vendor include these expenses in the proposed price?	The amounts provided in Attachment B are given for reference only to show how AHCCCS planned for the expenditures. The Contractor is not limited by the line items provided in Attachment B.
10	Scope of Work	7.0	17-19	Does the State currently measure the performance thresholds identified? Will the State please provide a full year of results from the current KidsCare operation that correlate to the performance measures stated in this section?	AHCCCS measures the performance thresholds. The most recent performance measurement results for AHCCCSA have been provided in the Bidder's Library.
11	Bidder's Library	KidsCare Monthly Report, June 1, 2007		The number of answered hotline calls in the most recent 12 month period averages 13,751 calls per month with noticeable spikes in August and October 2006. What is the average length of the calls, and what is the current average abandonment rate?	The average length of calls (handling time) is 4:47 minutes and the abandonment rates is 1.7 % (see Bidder's Library under AHCCCS Performance Measurements).
12	Special Instructions	3.3.5	45	Will the State provide the proposers with a list or chart of Arizona State Employee benefits for comparison purposes?	Information on employee benefits is provided on the Arizona Dept. of Administration website, for which the link can be found in the Bidder's Library under staffing - employee benefit.
13	Scope of Work	3.3.1, para. 1	9	Can the State clarify what it means by "The Contractor shall have the ability to accept applications . . . electronically . . ."? Does this indicate some type of e-mailed application?	It was only meant to convey a requirement for flexibility by the contractor. Currently, only HEA and DES applications are coming in electronically through TIPS.
14	Scope of Work	3.1.4, para. 1	11	The State has indicated that in the current process, application and supporting documentation information is sent via e-mail systems to and from DES. Can the State please confirm that applications with personal information are being sent via email? If so, please specify what measures the State expects the vendor to take to meet HIPAA requirements.	This particular process has ceased. DES now has direct access to AHCCCS' imaging system. However, AHCCCS and DES use secure email and can send customer information to each other by email.
15	Scope of Work	3.3, para. 2	12	Does the annual mass change for changes to FPL, described in this section, immediately impact currently enrolled members? Or does the change in status occur at the enrollee's/case/s renewal date?	The change in status, which is usually limited to a reduction in the member's premium, occurs at the time of mass change.
16	Special Instructions	3.1	43	The RFP states that start-up costs should be amortized over the first three years of the contract. If the contract does not get renewed to cover three years, can the Vendor recoup start-up costs as part of equitable adjustment in the termination process?	The Cost Proposal has been amended to require that the start up costs be amortized over the first two years of the contract. In addition, the initial term of the contract will be a little more than two years (see response to #17, below).
17	Exhibit A - Cost Proposal Form	N/A	70	On the Cost Proposal Form, the contract year dates for the first year are January 2008-June 30, 2009, which is an 18-month period. In the model contract terms on page 57 (section 1.7 of the Contract), it states that the initial term will be one year with four one-year options. Please clarify the start date (estimated) and end date of the initial contract period.	As stated on page 47 of the RFP, the contract is expected to be awarded on or about December 1, 2007, with the new contract becoming effective on May 19, 2008. This latter date (May 19) is the date when the Contractor will be expected to assume responsibility for all requirements set forth in the RFP. The end date of the initial term of the contract will be June 30, 2010, notwithstanding any contract termination provisions set forth in the RFP.
18	Special Terms & Conditions	1.7	57	Would the State consider letting an initial contract for longer than one year to allow vendors to capitalize start up costs over a period certain? For example, a three year initial period plus an option for 2 years, or a five year initial contract period would allow vendors to achieve greater efficiencies in their budget and pricing.	See response to Question 17. The initial term of the contract will be a little more than two years, with three one-year renewal options.